

THE SECRETARY OF COMMERCE
WASHINGTON 25

Honorable John W. McCormack
Speaker of the House
of Representatives
Washington, D. C.

Honorable Lyndon B. Johnson
President of the Senate
United States Senate
and Washington, D. C.

Dear Mr. Speaker:

Dear Mr. President:

The Export Control Act of 1949, as amended (50 U.S.C. App. §§ 2021-2032), expires by its terms on June 30, 1962. This "temporary legislation", including preceding legislation enacted in 1940, has been on the statute books for over 20 years now, being extended for periods of two or three years as it expired. I recommend that Congress extend this legislation for an indefinite period. Given the state of world affairs, which the President has characterized as one of uncertainty and peril which may well last a lifetime or more, indefinite extension is clearly warranted.

While we continue to hope for and work toward settlement of international issues, we cannot foresee a time when the President should not have authority to put export controls into effect in the interest of national security and furtherance of foreign policy. This recommendation for indefinite extension is concurred in by the Secretary of State and the Secretary of Defense, and of course has the approval of the President.

The express terms of the Export Control Act authorize the President, to the extent necessary to safeguard our national security and domestic economy and to further our foreign policy, to regulate all exports except such items as munitions and atomic materials, which are controlled under other legislation. The Secretary of Commerce administers the Act under a delegation of authority from the President. Under current administrative policies and procedures, specific export licenses, issued on the basis of applications submitted by exporters, are required for exports of strategic commodities and certain technical data to all destinations, except Canada, in order to prevent the Sino-Soviet bloc from obtaining them by direct or indirect means from United States sources.

On file DOC
release
instructions apply.

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Practically all exports are prohibited to Communist China, North Korea, and North Viet-Nam in accordance with our foreign policy. For over a year exports of goods to Cuba, except food, medicines and medical supplies, have been barred under the Export Control Act.

Exports to friendly nations are kept free of restrictive export controls except to the extent necessary to prevent diversion, transshipment, or re-exportation to unauthorized destinations, or other significant frustration of U. S. export control objectives.

The statutes regulating export of arms and atomic energy materials and the Battle Act which prohibits aid to countries supplying strategic goods to the Soviet bloc are all permanent law. The Export Control Act is no less important and should likewise be enacted as permanent law.

Quarterly reports on the administration of export controls, as provided by Sec. 8 of the Act, are regularly made to the Congress in order to keep it fully informed. The Act itself provides ample flexibility to permit any necessary changes to be made in the scope and direction of export controls, if and when conditions change, so that no other substantive amendments of the law are required.

A draft bill to provide for indefinite extension of the Export Control Act is attached. I respectfully urge consideration of this bill by the Congress as early in this Session as possible. Prompt passage of the amendment to the Act is needed for budgetary, planning and personnel reasons and to prevent any doubt in the United States or abroad concerning the continuance of this important facet of our economic defense program.

We have been advised by the Bureau of the Budget that enactment of such amendatory legislation would be in accord with the program of the President.

Sincerely yours,

Secretary of Commerce

Enclosure

A BILL

To provide for continuation of authority for regulation
of exports, and for other purposes.

Be it enacted by the Senate and House of Representatives
of the United States of America in Congress assembled,

That section 12 of the Export Control Act of 1949, as
amended, is repealed.